

Valneva Announces U.S. Distribution and Marketing Services Agreements with VaxServe for Japanese Encephalitis Vaccine IXIARO[®]

Lyon (France), November 9, 2015 – Valneva SE (“Valneva”), a leading pure-play vaccine company, announced today that its fully owned US subsidiary Intercell USA, Inc. has entered into distribution and marketing services agreements with VaxServe, Inc. (“VaxServe”), a Sanofi Pasteur company, for Valneva’s Japanese encephalitis (JE) vaccine IXIARO[®] in the United States (U.S.). This collaboration is part of Valneva’s strategy to commercialize IXIARO[®] through a combination of its own sales & marketing infrastructure and distribution agreements with established local partners at favorable terms.

VaxServe is a national healthcare supplier serving primary care physician offices, community immunization providers, immunizing pharmacies, travel clinics and corporations in the U.S. VaxServe is a subsidiary of Sanofi Pasteur, which is the vaccine division of Sanofi and a world leader in the vaccine industry.

Under the terms of the agreements, VaxServe will perform marketing and promotional services and distribute Valneva’s Japanese encephalitis vaccine exclusively in the U.S. private market beginning December 18, 2015. Through the agreements, Valneva and VaxServe are working together to increase the private market for IXIARO[®] vaccine in the U.S. The agreements do not include the distribution of the vaccine by VaxServe to the public market, including the U.S. military and other federal governmental agencies, which Valneva will handle directly.

Over 5 million people travel annually from the U.S. to Asia¹ where they are at risk of encountering the JE virus, a mosquito-born disease which is fatal in up to 30% of contracted cases. The number of U.S. travelers to Asia has been growing by over 5% between 2012 and 2014 according to the latest statistics published by the U.S. Department of Commerce.

Thomas Lingelbach, President and CEO and Franck Grimaud, Deputy CEO of Valneva, commented, “This new marketing and distribution relationship is a significant step for Valneva, as IXIARO[®] is our largest revenue contributor. We believe that with VaxServe’s market position and track record we have found the optimal partner to help us unlock the growth potential of this product in the U.S. travel segment.”

Albert Thomas, Associate Vice President and General Manager of VaxServe, added, “VaxServe is pleased to partner with Valneva to market, sell and distribute this

¹ http://travel.trade.gov/outreachpages/download_data_table/2014-US-to-Asia.pdf



important travel vaccine to the U.S. private market. Further, through this distribution relationship, we'll have the opportunity to reinforce our position as a leader in the immunization services and solutions marketplace.”

The agreements with VaxServe follow Valneva's decision in June 2015 to terminate the marketing and distribution agreement it had signed with Novartis vaccines in 2006 and which was transferred to GlaxoSmithKline (GSK) in 2015. Through this step Valneva expects to significantly improve sales margin and profitability of its JE vaccine, as of 2016 and beyond. Valneva is working with GSK on preparing the transition with the aim to ensure continuous supply and best service level to its customers.

Financial terms of the agreements between Valneva's US subsidiary Intercell USA, Inc. and VaxServe were not disclosed.

About Japanese Encephalitis

Japanese Encephalitis (JE) is a deadly infectious disease found mainly in Asia. About 70,000 cases of JE are estimated to occur in Asia each year, although the actual number of cases is likely much higher due to underreporting in rural areas. JE is fatal in approximately 30 percent of those who show symptoms, and leaves half of survivors with permanent brain damage. The disease is endemic in Southeast Asia, a region with more than 3 billion inhabitants. In 2005, Japanese Encephalitis killed more than 1,200 children in only 1 month during an epidemic outbreak in Uttar Pradesh, India, and Nepal.

About IXIARO[®]/JESPECT[®]

Valneva's Japanese encephalitis vaccine is indicated against Japanese encephalitis for adults who travel to, or live in, endemic areas. It has received marketing approval in the U.S., Europe, Canada, Hong Kong, Singapore, and Israel under the trade name IXIARO[®] and in Australia and New Zealand where it is marketed as JESPECT[®]. It is the only vaccine being marketed to the U.S. military for Japanese encephalitis. IXIARO[®] is approved for use in individuals 2 months of age and older in the US and EU member states, Norway, Liechtenstein, Iceland, Singapore, Hong Kong and Israel. In all other licensed territories, IXIARO[®]/JESPECT[®] is indicated for use in persons 18 years of age and above.

About VaxServe[®]

VaxServe, a Sanofi Pasteur company, is a national healthcare supplier serving primary care physician offices, community immunization providers, immunizing pharmacies, travel clinics and corporations. Since 2000, VaxServe has offered customers professional service while providing a reliable supply of vaccines, injectables and medical/surgical products at competitive prices. For more information, please visit www.vaxserve.com

About Valneva SE

Valneva is a fully integrated vaccine company that specializes in the development, manufacture and commercialization of innovative vaccines with a mission to protect people from infectious diseases through preventative medicine.

The Company seeks financial returns through focused R&D investments in promising product candidates and growing financial contributions from commercial products, striving towards financial self-sustainability.

Valneva's portfolio includes two commercial vaccines for travelers: one for the prevention of Japanese Encephalitis (IXIARO[®]) and the second (DUKORAL[®]) indicated for the prevention of cholera and, in some countries, prevention of diarrhea caused by ETEC (*Enterotoxigenic Escherichia coli*). The Company has proprietary vaccines in development including candidates against *Pseudomonas aeruginosa*, *Clostridium difficile* and Lyme Borreliosis. A variety of partnerships with leading pharmaceutical companies complement the Company's value proposition and include vaccines being developed using Valneva's innovative and validated technology platforms (EB66[®] vaccine production cell line, IC31[®] adjuvant).

Valneva is headquartered in Lyon, France, listed on Euronext-Paris and the Vienna stock exchange and has operations in France, Austria, Scotland and Sweden with approximately 400 employees. More information is available at www.valneva.com.

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Forward-Looking Statements

This press release contains certain forward-looking statements relating to the business of Valneva, including with respect to the progress, timing and completion of research, development and clinical trials for product candidates, the ability to manufacture, market, commercialize and achieve market acceptance for product candidates, the ability to protect intellectual property and operate the business without infringing on the intellectual property rights of others, estimates for future performance and estimates regarding anticipated operating losses, future revenues, capital requirements and needs for additional financing. In addition, even if the actual results or development of Valneva are consistent with the forward-looking statements contained in this press release, those results or developments of Valneva may not be indicative of their in the future. In some cases, you can identify forward-looking statements by words such as "could," "should," "may," "expects," "anticipates," "believes," "intends," "estimates," "aims," "targets," or similar words. These forward-looking statements are based largely on the current expectations of Valneva as of the date of this press release and are subject to a number of known and unknown risks and uncertainties and other factors that may cause actual

results, performance or achievements to be materially different from any future results, performance or achievement expressed or implied by these forward-looking statements. In particular, the expectations of Valneva could be affected by, among other things, uncertainties involved in the development and manufacture of vaccines, unexpected clinical trial results, unexpected regulatory actions or delays, competition in general, currency fluctuations, the impact of the global and European credit crisis, and the ability to obtain or maintain patent or other proprietary intellectual property protection. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements made during this presentation will in fact be realized. Valneva is providing the information in these materials as of this press release, and disclaim any intention or obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.